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TRAINING AND RESEARCH: UNITED NATIONS INSTITUTE FOR TRAINING AND RESEARCH

Programme budget implications of draft resolution A/C.2/47/L.91

Statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly

A. Requests contained in the draft resolution

1. By operative paragraphs 1 to 3 of draft resolution A/C.2/47/L.91, the General Assembly would:

(a) Decide that, in accordance with the recommendations of the Secretary-General, the building of the United Nations Institute for Training and Research would be immediately transferred to the United Nations in return for the cancellation of the debt of the Institute and coverage of its financial obligations for 1992;

(b) Also decide that, in accordance with the recommendations of the high-level consultant, as approved by the Board of Trustees of the Institute and the Secretary-General in his report, the headquarters of the Institute would be transferred to Geneva, and request the Secretary-General to designate a liaison officer to organize and coordinate the existing training programmes and research activities relating to training in New York within existing resources, drawing as appropriate on the services of senior fellows who should be funded from voluntary contributions to the Institute;

(c) Further decide that, as of 1 January 1993, the funding of all the Institute's administrative budget and training programmes would be covered from voluntary contributions, donations, special-purpose grants and executing agency overheads.

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2. The United Nations Institute for Training and Research (UNITAR) was established in 1965, in accordance with General Assembly resolution 1934 (XVIII) of 11 December 1963. The Institute was set up as an autonomous entity within the framework of the United Nations for the purpose of providing research and training for Member States. In accordance with its Statute, UNITAR should be fully financed from extrabudgetary resources. Since its inception, however, the financial situation of the Institute has been the subject of constant concern. By resolution 38/177 of 19 December 1983, the General Assembly provided the Institute with an advance of $886,000 from the regular budget. As at 30 June 1992, the overall debt of UNITAR to the United Nations, reflecting shortfalls and deficits for the previous period, stood at $6,554,700 which, together with the sum advanced by the United Nations for the purchase of land, amounted to $10,970,800 and is expected to reach approximately $11.8 million by the end of 1992.

3. By resolution 45/219 of 21 December 1990, the General Assembly requested the Secretary-General to appoint a high-level independent consultant, who would submit a report containing recommendations concerning the Institute. The consultant's report (see A/46/482, annex) stated that the mandate of UNITAR remained valid, and contained a number of recommendations on the restructuring of the Institute and the streamlining of its operations.

4. By resolution 46/180 of 19 December 1991, the General Assembly requested the Secretary-General, on the basis of the recommendations of the high-level consultant, to prepare a report for submission to the General Assembly at its forty-seventh session which would, inter alia, propose ways and means of resolving the outstanding debt of the Institute to the United Nations.

5. In his report (A/47/458), the Secretary-General concluded that the best course for resolving the problem of the debt would be for the United Nations to take over the UNITAR building in New York in return for the cancellation of the debt and coverage of the financial obligations in 1992.

B. Financial arrangements and estimated resource requirements in 1992-1993

6. In order to implement the requests contained in the draft resolution, the following arrangements would have to be made.

7. The UNITAR debt to the United Nations, which is to be cancelled in return for the immediate transfer of the building to the United Nations, amounted as at 30 June 1992 to $10,970,800. Of this amount, $4,416,100 was advanced to UNITAR for the purchase of the land on which the building is situated. The balance of $6,554,700 represents advances to UNITAR to meet the shortfalls in its administrative budget. The amount needed to finance UNITAR activities from July to December 1992 is estimated at $851,700. Thus, the debt of UNITAR to be cancelled would be $11,822,500 as at 31 December 1992.

8. For the United Nations to take over the UNITAR building, it would be necessary for the Organization to incur expenses related to the maintenance and provision of security for the premises. Such costs would amount to $647,000 in 1993. Moreover, taking into account the unsafe and unsatisfactory condition of the UNITAR building, it would be necessary for the United Nations to make the necessary repairs and improvements. These costs are estimated at $2,907,000.

9. Furthermore, in accordance with the provisions of General Assembly resolution 42/197 of 11 December 1987, the existing staff members of the UNITAR New York Office (totalling 10, comprising 1 P-5, 1 P-4, 1 P-2 and 7 General Service) would have to be absorbed within the United Nations system without suffering loss of rank or benefits. There is nothing in the text of the draft resolution which appears to supersede that requirement. As the placement of such staff elsewhere in the system is expected to require at least six months in 1993, the related staff costs are estimated to amount to $300,500.

10. Moreover, during the transitional period of six months, the three Professional and seven General Service staff members referred to in paragraph 9 above would need to be provided in 1993 with office space; this would require an additional $15,500 for rental of office space and $296,500 for general operating costs for six months.

11. With respect to the provision in operative paragraph 2 on the organization and coordination of existing training programmes of UNITAR in New York, which it is requested be covered within existing resources, the Secretary-General confirms that these training programmes could be organized and coordinated by the relevant departments of the United Nations Secretariat. However, as regards the organization and coordination of research activities relating to training in New York, the Secretary-General does not have sufficient information concerning the nature of this function to assess its programme budget implications. As concerns the senior fellows to whom reference is also made in operative paragraph 2, the Secretary-General understands that no provision is to be made from within existing resources for office space or other support services to such fellows, and that any such services which may be required are to be financed by voluntary contributions.

12. It is the understanding of the Secretary-General that, except as indicated above, all future requirements of the Institute, beginning in 1993, would be covered from voluntary contributions, special-purpose grants and executing agency overheads.

13. Should the General Assembly adopt draft resolution A/C.2/47/L.91, the following additional resources, as indicated in paragraphs 7 to 10 above, would be required:

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(a)	Cancellation of the UNITAR debt and coverage of its financial obligations in 1992 (para. 7)	11 822 500
(b)	Annual cost to the United Nations of building maintenance and security (para. 8)	647 000
(c)	Repairs and improvement of the building (para. 8)	2 907 000
(d)	Transitional arrangements from 1 January to 30 June 1993, including the financing of the staff members to be redeployed, rental of office space and general operating expenses for six months in 1993 (paras. 9 and 10)	612 500
	Total	15 989 000

14. Taking into account the extraordinary nature of these developments, which could not have been foreseen when the level and the use of the contingency fund for the 1992-1993 biennium were established, the Secretary-General considers that the additional requirements should be met outside the contingency fund in accordance with the criteria adopted by the General Assembly in resolution 42/211 of 21 December 1987.

C. Summary

15. Should the General Assembly adopt draft resolution A/C.2/47/L.91, an additional appropriation in the amount of $15,989,000 would be required under section 34 (Special expenses) of the proposed programme budget for the biennium 1992-1993.